



**TOWN COUNCIL**  
**Special Meeting**  
**Town Hall**  
**May 24, 2012**  
**6:00 PM**

1. Call to Order: Roll Call
  
2. Order of Business
  - \*A. Local Town Attorney
  
  - \*B. Shore Bank Credit Line
  
  - \*C. Cape Charles Volunteer Fire Company Request
  
3. Motion to Adjourn

 <p style="text-align: center;"><b>TOWN OF CAPE CHARLES</b></p>	<b>AGENDA TITLE:</b> Appointment of Local Town Attorney		<b>AGENDA DATE:</b> May 24, 2012
	<b>SUBJECT/PROPOSAL/REQUEST:</b> Appointment of a local town attorney.		<b>ITEM NUMBER:</b> 2A
	<b>ATTACHMENTS:</b> Proposal from Cowan Gates, P.C.		<b>FOR COUNCIL:</b> Action (X) Information ( )
	<b>STAFF CONTACT (s):</b> Heather Arcos	<b>REVIEWED BY:</b> Heather Arcos Town Manager	

**BACKGROUND:**

At the August 11, 2011 meeting, the Town Council approved advertising for a local Town Attorney to provide a variety of services to the Mayor, Town Council and Town Manager.

The services were previously provided by Paul G. Watson IV and his contract expired on September 1, 2011.

**DISCUSSION:**

The Request for Proposals for a Town Attorney was advertised in the Eastern Shore News on January 11<sup>th</sup> and 18<sup>th</sup> and was also placed on the Town's website. Three (3) proposals were submitted prior to the deadline.

After review of the proposals, staff recommends award of the contract to Cowan Gates, P.C. of Richmond, Virginia. Messrs. Frank F. Rennie, IV and Ernest "Rusty" Gates, Jr. are partners in the firm and Mr. Gates has a home in Cape Charles. Cowan Gates, P.C. is a law firm of 30 attorneys and support staff with specialty in local government law, civil litigation (general liability, municipality defense, commercial and creditor's rights litigation), property rights, land use and eminent domain, at all levels of state and federal court. Mr. Rennie also serves as the attorney for Lunenburg County, Virginia. He is also a member of the Local Government Attorneys of Virginia as requested by the Town Council.

The fee for services provided by partners is \$225 per hour and \$150 per hour for associates. It was determined that much of the routine legal work could be done by associates at the lesser rate.

**RECOMMENDATION:**

Staff requests appointment of Cowan Gates, P.C. as the local Town Attorney for a period of two (2) years as outlined in the Request For Proposal.



**COWANGATESPC**  
*Attorneys at Law*

FRANK F. RENNIE, IV

(804) 320-9100  
(804) 320-2950 *facsimile*

FRENNIE@COWANGATES.COM

February 1, 2012

Ms. Heather Arcos, Town Manager  
Town of Cape Charles  
2 Plum Street  
Cape Charles, Virginia 23310

Dear Ms. Arcos:

I would like to offer the services of Cowan Gates, P.C. as Town Attorney for the Town of Cape Charles. With this letter I have included my resume and that of my partner, Ernest "Rusty" Gates, Jr. While our office is located in Richmond, my partner, Rusty Gates, has a home in Cape Charles and would be available for local duties there.

For the past three years I have served as County Attorney for Lunenburg County, Virginia. I also have served as counsel to the Lunenburg County School Board. Additionally, my firm has served as Town Attorney for the Town of Crewe, Virginia for the past year. If selected to serve as Town Attorney for Cape Charles, I would anticipate that I would be the primary point of contact for the Town. I am available for up to 15 hours per week to work issues for the Town of Cape Charles.

I have performed and continue to perform those areas of expertise listed in the Cape Charles Request for Proposal. In addition, I am involved with personnel issues, both from a policy and an operational perspective. I don't believe there is any area in the local government practice of law that I have not participated, including various forms of litigation at the local level.

My law firm's fee for services provided is \$225 per hour for partners' services and \$150 per hour for associates' legal services. My firm would provide a monthly bill with a breakdown of itemized charges to the nearest one-tenth of an hour. I believe you would find the billing to be both fair and accurate. There would be no charge for traveling to and from Cape Charles to provide services. I would anticipate that Rusty Gates would provide most of the services needed at the local level while he and I both would be of assistance working out of this office in Richmond.

As for references, I would recommend that you call William (Bill) O'Brien, with whom I have worked at Lunenburg County. His phone number is (540) 476-1100. Please contact me if you have any questions.

Very truly yours,

COWANGATES, PC

Frank F. Rennie, IV

FFR/sl  
Enclosures

1930 HUGUENOT ROAD • P. O. BOX 35655 • RICHMOND, VA 23235-0655

WWW.COWANGATES.COM



**COWANGATESPC**  
*Attorneys at Law*



**FRANK F. RENNIE, IV**  
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Richmond, Virginia 23235  
(804) 320-9100 (Office)  
(804) 320-2950 (Fax)  
[frennie@cowangates.com](mailto:frennie@cowangates.com)

**EXPERIENCE:**

**CowanGates PC, Attorneys at Law, Richmond, Virginia**

**1984 - Present:** Attorney, partner and officer, CowanGates, PC, law firm of 30 attorneys and support staff with specialty in local government law, civil litigation (general liability, municipality defense, commercial and creditor's rights litigation), property rights, land use and eminent domain, at all levels of state and federal court. University of Virginia Trial Advocacy Institute.  
Lecturer: Eminent Domain Seminars

**County Attorney, Lunenburg County, Virginia (part time)**

**2009 - Present:** Responsible for all legal aspects of the county government and chief legal counsel to seven member Board of Supervisors

**Rear Admiral, United States Navy (Reserve Component)**

**2003 - 2010:** Deputy Operations Director: US European Command, Stuttgart, GE  
Responsible for military and U.S. government operations throughout Europe, Russia and the near Middle East; Deputy Commander/Vice Commander, Chief of Staff, US Sixth Fleet - 2001-2004

**Commanding Officer of Numerous Navy Reserve Commands - 1981 - 2002**

**United States Navy, Lieutenant, Service aboard Surface Combatants, including duty in the Atlantic, Caribbean, Mediterranean, Indian Ocean, Persian Gulf and Pacific - 1976 -1981**

**EDUCATION:**

**T.C. Williams School of Law, University of Richmond, Virginia**

**Juris Doctor, December, 1983**

Merit Scholar (1981-1983); Law Review and Moot Court Competition; Law Clerk to Honorable Willard I. Walker, Chief Judge, Richmond Circuit Court

**United States Naval Academy, Annapolis Maryland**

**Bachelor of Science, 1976**

Commandant's List for Leadership and Academic Achievement, 1975-1976; Dean's List, 1974-1976; Varsity Football - 1972-1976; Delegate, Naval Academy Foreign Affairs Conference 1975-1976; Honors Platoon Commander 1975-1976

Frank F. Rennie, IV  
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**AWARDS AND HONORS:**

Defense Superior Service Medal, Legion of Merit, Defense Meritorious Service Medal, Meritorious Service Medal Navy Commendation Medal (four awards), Navy Achievement Medal, Navy Expeditionary Medal, Navy Unit Commendation, Top-Rated Commanding Officer in Naval Reserve Readiness Command, Region Six, COMNAVIUWGRU TWO, Naval Coastal Warfare Group Two, Outstanding Young Men of America.

**ASSOCIATIONS:**

Virginia State Bar, Virginia Local Government Attorneys Association, Richmond Bar Association, Chesterfield/Colonial Heights Bar Association, Powhatan Bar Association, Virginia Association of Defense Attorneys, American Trial Lawyers Association, Virginia Trial Lawyers Association, Defense Research Institute, Naval Reserve Association (life member), U. S. Navy League, Reserve Officers Association, Naval Academy Alumni Association (life member).

**ACTIVITIES:**

Member and Chairman, Board of Deacons, Derbyshire Baptist Church; President Richmond Area Naval Academy Alumni Association, President and Board of Directors Central Virginia Fellowship of Christian Athletes, Past member Western Henrico Rotary Club, Past Board Chairman Tuckahoe Family YMCA; Richmond Area United Way, Board of Directors, Oxford Civic Association. Various positions in church (Sunday school teacher), youth ministry, youth sports and global ministry outreach.

**REFERENCES:**

- Gary Glover, President, Puritan Systems of Virginia, Inc., 1807 Staples Mill Road, Richmond, Virginia 23230; (804) 355-5726
- Hon. Michael M. Rand Judge, Juvenile & Domestic Relations Court; P.O. Box 430, Halifax, Virginia 24558; (434) 476-3388
- Steve Hupp, Vice President, Estes Express Lines, 3901 W. Broad Street, Richmond, Virginia 23230; (804) 353-1900
- VADM Dirk Debbink, Chief, Navy Reserve, Pentagon - Washington, DC; (703) 614-4656



**Ernest P. (Rusty) Gates, Jr.**

1930 Huguenot Road • Richmond, VA 23235 • [rgates@cowangates.com](mailto:rgates@cowangates.com)  
(804)320-9100 office (804)938-1389 cell

3324 Three Bridge Road  
Powhatan, Virginia 23139

311 Troon Court  
Cape Charles, Virginia 23310

- **Qualified in all Virginia State Courts and Eastern District Virginia Federal Courts.**
- More than 30 years of extensive experience as a trial and business attorney.
- As a member of CowanGates' litigation team, practicing criminal, personal injury and family law.
- Practice also includes traffic law relating to traffic violations, automobile accidents and injuries.
- Business law practice focuses on estate planning and commercial and residential real estate.

In 2000, recognized by Virginia Lawyers Weekly for one of the "Most Important Decisions" cases when serving as lead attorney for Sensabaugh v. Gateway.

**Education**

Thomas Dale High School – 1972  
Hampden-Sydney College – 1976 – B.A. Government  
T.C. Williams School of Law – 1981 – J.D.

**Employment**

2007-present CowanGates PC/partner  
2001-2007 Gates and Alexander/partner  
1989-2001 Ernest P. Gates, Jr. Attorney at Law/sole practitioner  
1981-1989 Daffron and Gates/partner  
1980 Clerk for Philip V. Daffron, Attorney Chesterfield, Virginia  
1976-1978 Chesterfield County Public Schools/government teacher/assistant football coach  
1976 Clerk for Allen, Allen, and Allen Law Firm, Richmond, Virginia

**Areas of Practice:**

- Criminal Law
- Personal Injury
- Family Law
- Traffic Law
- Commercial and Residential Real Estate
- Estate Planning

**Professional Associations**

- Virginia State Bar
- Chesterfield County Bar Association
- Powhatan County Bar Association
- Virginia Trial Lawyers Association
- Bon Air Title Insurance Company

**Community Interests**

**Pro-Bono Projects**

- Legal Counsel Habitat of Humanity/Powhatan
- Legal Counsel Backpacks of Love Inc.
- Represent battered women at the YWCA Shelter in Chesterfield.
- Taught law classes at John Tyler Community College.

- Rotary Club of Powhatan • Backpacks of Love, Inc./president • Habitat of Humanity/Powhatan/board member •
- St. Luke's Episcopal Church •

 <p>TOWN OF CAPE CHARLES</p>	<b>AGENDA TITLE:</b> Shore Bank Credit Line		<b>AGENDA DATE:</b> May 24, 2012
	<b>SUBJECT/PROPOSAL/REQUEST:</b> Obtain line of credit through Shore Bank		<b>ITEM NUMBER:</b> 2B
	<b>ATTACHMENTS:</b> Resolution 20120524 Authorizing a Line of Credit with Shore Bank		<b>FOR COUNCIL:</b> Action (X) Information ( )
	<b>STAFF CONTACT (s):</b> Heather Arcos	<b>REVIEWED BY:</b> Heather Arcos Town Manager	

**BACKGROUND:**

In the past, the Town of Cape Charles maintained credit lines with the Bank of America and PNC Bank. The line of credit serves as a safety net for the Town. With the recent change in financial institutions, the Town's credit lines have been closed.

**DISCUSSION:**

After receiving notification from the Bank of America of its intent to close the Cape Charles branch office in March 2012, the Town established a financial relationship with Shore Bank.

Shore Bank has offered the Town an unsecured line of credit in the amount of \$500K. They are waiving the origination fee which is usually \$250. The line of credit must be paid in full annually and maintain a zero balance for at least 30 consecutive days within the year. The Town can determine when the 30 days would be.

The interest rate is a variable rate at prime plus .5. Currently prime is 3.25% so the initial rate would be 3.75%.

**RECOMMENDATION:**

Staff recommends adoption of Resolution #20100524 Authorizing a Line of Credit with Shore Bank in the amount of \$500K.

**RESOLUTION 20120524**

**AUTHORIZING A LINE OF CREDIT WITH SHORE BANK**

**WHEREAS**, the Town of Cape Charles has recently established a financial relationship with Shore Bank; and

**WHEREAS**, the Town Council of the Town of Cape Charles desires to establish a line of credit for use as needed; and

**WHEREAS**, Shore Bank has offered the Town of Cape Charles a \$500,000 unsecured line of credit with a variable interest rate of Prime plus .5;

**THEREFORE BE IT RESOLVED** by the Town Council of the Town of Cape Charles, Virginia:

1. Mayor Dora Sullivan, or in her absence Vice Mayor Chris Bannon, and Town Manager Heather Arcos are each hereby authorized to execute the loan documentation for an unsecured line of credit for \$500,000 with Shore Bank.
2. The credit line would be available for use as determined and authorized by the Town Council of the Town of Cape Charles.
3. This Resolution shall take effect immediately.

\*\*\*\*\*

Adopted by the Town Council of the Town of Cape Charles on May 24, 2012.

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
Town Clerk

  <b>TOWN OF CAPE CHARLES</b>	<b>AGENDA TITLE:</b> Cape Charles Volunteer Fire Company		<b>AGENDA DATE:</b> May 24, 2012
	<b>SUBJECT/PROPOSAL/REQUEST:</b> Update and request for reimbursement for final insurance premium payment		<b>ITEM NUMBER:</b> 2C
	<b>ATTACHMENTS:</b> None		<b>FOR COUNCIL:</b> Action <input checked="" type="checkbox"/> Information <input type="checkbox"/>
	<b>STAFF CONTACT (s):</b> Heather Arcos	<b>REVIEWED BY:</b> Heather Arcos, Town Manager	

**BACKGROUND:**

The Cape Charles Volunteer Fire Company (CCVFC) requested \$30K to be allocated in the FY 2011-2012 budget to pay for insurance and an annual equipment loan payment. The fire co. has a shortfall due to equipment and vehicle repairs.

On April 20, 2011, the Town Council held a work session with the CCVFC Board and the Town Council requested the following from the Board of the Fire Co.:

- 2011-2012 Insurance Payment Schedule; the July Insurance Invoice with Approval to pay
- Yearly Audit as defined in Bylaws (2010 Audit has been completed)
- Quarterly Financial Reporting
- Active Fire Fighters list
- Institute an Auxiliary for Fund Raising

The Treasurer, Hollye Carpenter is trying to locate a CPA to complete the 2011 audit at a reasonable cost.

A Public Information Meeting was held on November 6, 2011 to make the public aware of the Fire Company's responsibilities and the desire to increase their membership. An Auxiliary has been organized but they are having difficulties in finding volunteers to serve.

The Town has budgeted \$30K in a contingency fund to be approved by the Town Council for disbursement of funds. The Town Council has approved and paid to date \$8,191 towards insurance and \$14,567.56 for the annual equipment loan.

**DISCUSSION:**

On April 30, 2012, Hollye Carpenter submitted a request for reimbursement for the final insurance payment in the amount of \$7,241.44. With this payment, the total amount contributed by the Town to the Cape Charles Volunteer Fire Company is \$30,000.

**RECOMMENDATION:**

Authorize the Town Manager to reimburse \$7,241.44 to the Cape Charles Volunteer Fire Company for the final insurance payment.